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THE SITUATION AND PROSPECTS IN CUBA


THE PROBLEM


To analyze the situation in Cuba and the relationships of the Castro regime with both the Soviet Bloc and the Latin American republics, and to estimate the prospects over the next year or so.

FOREWORD

 The estimate will be under continuing review as additional information is obtained.

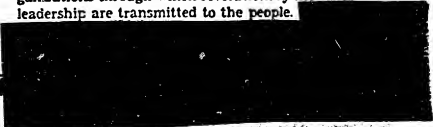
SUMMARY AND CONCLUSIONS

1. The pattern of events in Cuba clearly reveals the historical step by step Communist procedure for attaining complete control of a country. During the past year Cuba has, in effect, gone behind an iron curtain. The regime has thoroughly reorganized its political, economic, police, and military systems in the classic Communist ideological fashion. It has also sought to identify itself with the Soviet Bloc in terms that would obligate the USSR to protect it. 




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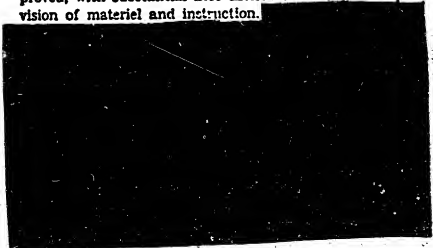
2. In Cuba there is in process of development a single party organization essentially Communist in character. It is designed to be the means of directing and controlling the operations of the government, the economy, and the mass organizations through which revolutionary indoctrination and leadership are transmitted to the people.



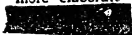
3. The regime has sought to commit the Cuban people to positive personal identification with it through propaganda, indoctrination, and mass organizations. At the same time, it has developed a pervasive system of surveillance and police control.



4. The forces available to the regime to suppress insurrection or repel invasion have been and are being greatly improved, with substantial Bloc assistance through the provision of materiel and instruction.




5. The state has taken over the direct control of all important economic activities in Cuba, and has developed a more elaborate organization for economic management.




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6. Cuba is now faced with an economic crisis attributable in large part to an acute shortage of the convertible foreign exchange required to finance greatly needed imports of foodstuffs and of replacement parts for machinery and equipment of US origin. The Bloc provides a guaranteed market for Cuban sugar and minerals, and supplies foodstuffs, other consumers' goods, and industrial raw materials in return, but not in sufficient quantity to meet Cuba's needs.



7. The initial popular enthusiasm for the revolution has steadily waned. Many men who fought against Batista have been alienated by the even more dictatorial character of the Castro regime and its increasingly Communist complexion.



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10. The majority of the Cuban people neither support the regime nor resist it, in any active sense. They are grumbling and resentful, but apparently hopeless and passive, resigned to acceptance of the present regime as the effective

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government in being with which they must learn to live for lack of a feasible alternative.

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[REDACTED]

14. By the end of 1960, Castro had few admirers left among politically active Latin Americans, except the Communists, extremist splinter groups broken off from the established social revolutionary parties, and certain student and labor elements. [REDACTED]

15. At Punta-del Este the OAS unanimously condemned communism in Cuba as incompatible with the inter-American system and laid the ground work for increased efforts to combat Castro-Communist subversion. [REDACTED]

[REDACTED]

16. [REDACTED]

[REDACTED]

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DISCUSSION

1. [REDACTED]

17. The past year has witnessed the increasingly open identification of the Castro regime with communism and with the Soviet Bloc. Within Cuba, this trend has been marked by a radical reorganization of the economy, the government, the internal security apparatus, and the armed forces; by the emergence of a unified, Communist-controlled, political organization designed to control every other public activity; by the proliferation of mass organizations designed to regiment the general population and to subject every Cuban to constant Communist indoctrination and control, and, finally, by the public declaration that the goal of the regime is the complete communization of Cuba.

18. [REDACTED]

20. The Cuban Communist apparatus did not commit itself to Castro's cause until it judged that the eventual triumph of the revolution was assured. It then sent Carlos Rafael Rodriguez, a leading Communist theoretician who had known Castro as a student, to join him in the Sierra Maestra.

19. Since his accession to power in 1959, Castro has collaborated increasingly with the Communists.

21. On achieving power, Castro allowed the Communists to operate openly as a political party and to resume the publication of their daily newspaper, *Hoy*.

[REDACTED]

22. By mid-1959 Castro's radical measures and arbitrary conduct had alienated many of the most competent among his original supporters. Castro apparently came to a deliberate decision to rely instead upon the assistance and support which the Communists were eager to provide.

[REDACTED]

26. In November 1960 a world conference of Communist leaders, held in Moscow, undertook to define "national democracy" as an explicit stage in progression toward communism. With Cuba in mind, they defined a "national democracy" as a state with a non-Communist but strongly anti-imperialist government pursuing a Communist-style domestic program in close collaboration with indigenous Communists. By this doctrinal innovation, they recognized Cuba as more advanced than "national bourgeois" states such as Egypt and India (which have been liberated from imperialism, but are still controlled by the national bourgeoisie). At the same time, they denied by implication that Cuba was a "socialist" state like those of Eastern Europe.

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24. The USSR watched and waited until February 1960 before responding to Castro's growing need for its support. It then came to Castro's aid by undertaking to purchase Cuban sugar and by praising the Cuban revolution as an exemplary "national liberation" movement. Thereafter there followed in rapid progression a variety of trade and credit agreements between Cuba and the countries of the Bloc, and a flow of Bloc technicians and arms to Cuba.

[REDACTED]

27

Fidel Castro, on 1 May 1961 formally declared that Cuba was already a "socialist" state, a contradiction of the "national democracy" formula. Cuban Communists have taken the same line.

28. On 1 December 1961, Fidel Castro finally declared himself to be a "Marxist-Leninist"—i.e., an orthodox Communist. This declaration removed an obstacle to Castro's claim to leadership of the Communist party which, by definition, must rule Cuba before Cuba can become a full-fledged "dictatorship of the proletariat."

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are now little more than prestigious names left over from the brave days of 1958—they lack organizational substance, although they include many prominent leaders of the regime. The third, the PSP, is a long established, large, well organized, and well disciplined Communist party.

32. On 26 July 1961, Fidel Castro announced

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31. Only three political organizations were allowed to survive in Fidel Castro's Cuba: his own 26th of July Movement, the 13th of March Revolutionary Directorate, and the Popular Socialist Party (PSP). The first two of these

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IV.

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39. The oldest of these mass organizations is the militia.

Originally, the militia was composed exclusively of Castro's most ardent adherents among the students and the unemployed. Since then less enthusiastic followers have found it expedient to "volunteer" to join it, as based on their places of residence or employment. Willing or not, they are all subjected to indoctrination and mass psychology, which in most cases produces a positive identification with the regime.

40. The regime has no more enthusiastic supporters than those found among the more than 100,000 members of the Association of

Rebel Youth (AJR). Since its absorption of the university student federation, the age range of this group is 14 to 25. Its members are active in the militia, the voluntary labor battalions, the literacy brigades [REDACTED]

[REDACTED] and the vigilance committees. In addition, a Union of Rebel Pioneers (UPR) exists for the organization and indoctrination of children from 6 to 13.

41. Some Cuban women regard the revolution as a liberation from their former confinement to the household and exclusion from public affairs, and are therefore among its more enthusiastic supporters. From the first, women and girls have been active in the militia and the AJR. There is also a specific women's organization, the Federation of Cuban Women (FMC) claiming 166,000 members. The FMC sponsors day nurseries to release mothers for other work. Its members have also been active in the literacy campaign [REDACTED]

42. The constituent elements of the overall national labor organization (CTC-R) have been reorganized into 25 national industrial unions including all the workers, unskilled as well as skilled, in their respective industries. Membership has thus been increased to a claimed 1.3 million. Union leadership is closely controlled by the regime and is now predominantly Communist; a veteran Communist, Lazaro Pena, was recently named Secretary General of the reorganized CTC-R. Since all important industrial enterprises are now operated by the state, all labor organizations have become, in effect, company unions, concerned to elicit "voluntary" worker contributions to the revolutionary cause rather than to enforce workers' demands upon the management.

43. About half of the rural population has been similarly organized through the state farms and cooperatives administered by the National Agrarian Reform Institute (INRA). In addition, a substantial proportion of the

remaining independent proprietors are members of the National Association of Small Farmers (ANAP). Membership in ANAP is necessary in order to obtain credit, seed, and other government assistance.

44. Many Cubans resent the intrusion of these mass organizations upon their leisure time and their family life. For many others, however, these activities provide a sense of personal participation in an historic action, which gives meaning and purpose to their lives.

V. [REDACTED]

45. In addition to its use of the mass organizations as specialized channels for political indoctrination, the regime takes full advantage of its exclusive control of all the media of mass communication for general propaganda purposes. [REDACTED]

46. Fidel Castro's most striking propaganda successes have been achieved by marathon personal oratory before mass audiences in the Plaza de la Revolucion ("the National Assembly of the Cuban People") or on television. Such occasions are used for all important policy pronouncements. [REDACTED]

47. Before the revolution, Cuba enjoyed a relatively high literacy rate— [REDACTED]

With great fanfare, however, the regime undertook to eradicate illiteracy in Cuba and named 1961 the "Year of Alphabetization." The universities and secondary schools were closed; the students and others were

formed into "literacy brigades" and sent forth to alphabetize the illiterate. The operation served three political purposes: (a) to organize, indoctrinate—and inspire—the literacy brigadiers; (b) to gratify the alphabetized and make them accessible to regime propaganda; and (c) to make a propaganda impact throughout illiteracy-ridden Latin America. Some illiterates proved recalcitrant, but in general the operation was successful in achieving these purposes.

48. Meanwhile the Ministry of Education was busy reorganizing the curricula, preparing new textbooks, indoctrinating teachers, and taking over the remaining private schools in Cuba, especially those of the Catholic Church. A veteran Communist, Juan Marinello, has been appointed Rector of the University of Havana, an important post in the educational system. All Cuban education is being keyed to doctrinal requirements and contains a strong propaganda element. It goes without saying that opportunity for higher education will depend upon a record of activity in support of the regime.

VI.

49. The mass organizations and propaganda media are the means employed by the regime to enlist positive popular support. Concurrently, it has developed a formidable system of police surveillance and control.

50. In June 1961 the three principal police and investigative agencies—the secret police, the National Police, and the Maritime Police—were separated from the Ministry of the Armed Forces and combined to form a new Ministry of the Interior.

51. The secret police originated as the countersubversive agency of the army. It is now called the Department of State Security (DSS) and functions like any other such department in the Communist world. The National Police, now called the Directorate of Public Order (DOP), is a militarized gendarmerie.

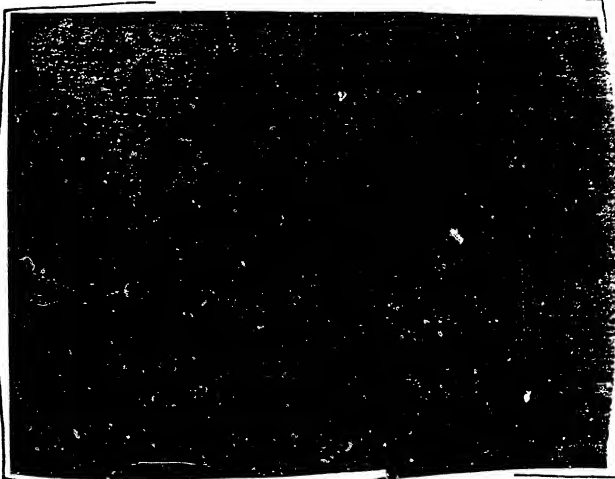
The Maritime Police are the Cuban coast guard. Most of the professional personnel of the National and Maritime Police have now been replaced by full-time militiamen.

52. In addition to these professional services, the Ministry of the Interior controls a pervasive network of volunteer vigilance committees ("Committees for the Defense of the Revolution"). The regime claims that there are some 107,000 such committees in Cuba, with a total membership of over half a million people. There is a committee in almost every residential area or place of employment.

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VII.

54. In addition to its elaborate system of surveillance and police control, the regime has greatly improved the capability of its armed forces to suppress insurrection or repel invasion. In this it has been greatly aided by



the Bloc's provision of military equipment and instruction. The Cuban military establishment is now in many respects the best equipped in Latin America.

55. For a time, the regime was threatened by disaffection within its armed forces as commanders with valid revolutionary credentials were antagonized by the Communist trend of Castro's policy—e.g., the Huber Matos case, as early as October 1959. The militia was created to meet this threat by providing the regime with armed support on which it could rely. In the course of time,

the regime has largely eliminated disaffection in the armed forces, but at a cost in defections and purges which deprived those forces of most of their technically competent personnel.

56. In operational terms, the former Rebel Army has been dissolved. Its remaining personnel have been absorbed into the militia as cadres. At the same time, there has been a significant differentiation among militia units. Some full-time units have appeared. Manifestly, they are not militia in the usual sense of the word, but a new, politically re-

liable, standing army. Other militia units are organized as a ready reserve available for field service in an emergency. A residue still conform to the home guard pattern.

57. Under the supervision of Bloc instructors, the standing army has received intensive training in the use of Bloc-supplied arms and equipment. It has acquired capabilities in the employment of armor and artillery (including antiaircraft and antitank weapons) hitherto unknown in any Caribbean country. It has completed basic and small unit training, and is engaged in combined arms training at the battalion combat team level.

58. The ready reserve militia battalions are less heavily armed and less thoroughly trained.

59. The home guard militia units have no significant combat capability. Their function is to augment the police as necessary for the control of the population.

60. In addition to the improvement of its standing army and ready reserve forces, Cuba is engaged in an extensive program of military construction such as the erection of beach defences, the fortification of gun positions.

The transport and construction costs involved are a considerable burden upon the economy.

61.

62. The Cuban Air Force inherited from Batista a considerable quantity of aircraft, including 18 B-26 light bombers, 13 Sea Fury prop fighters, and 7 T-33 jet trainers used as fighters. Repeated defections and purges, however, left it very few trained personnel.

Training in the Bloc and by Bloc instructors now present in Cuba will gradually increase the number of qualified personnel.

63. Cuba's civil air fleet and the transport aircraft of the air force provide ample air

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transport capabilities for internal communications and for supporting the military in internal security and defense operations.

64. Like the air force, the navy has a considerable number of inherited combat patrol craft, but, after successive mutinies, defections, and purges, very few trained naval personnel. Few naval craft are now operational, for want of proper maintenance, including spare parts. Coastal patrol is accomplished chiefly by militiamen in confiscated fishing boats and pleasure craft. The Bloc is now in process of delivering small naval vessels which will provide the basis for an improvement of Cuba's coastal patrol capabilities.

65. Fidel Castro remains commander in chief of the Cuban armed forces; his brother, Raul, remains the minister in charge of the military establishment. Raul Castro maintains his personal headquarters far from the seat of government, in Santiago, where he also exercises political direction of Oriente Province, the home of the Castros and the base of their drive to power.

66. [REDACTED]

67. [REDACTED]

68. [REDACTED]

69. The Bloc's provision of small arms and light supporting weapons has rendered surplus considerable quantities of US arms inherited from Batista. These surplus arms are available for delivery to "national liberation forces" in other Latin American countries. The means for such gun-running, by air and sea, may also be provided.

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VIII

70. Beginning with the agrarian reform initiated soon after the regime came to power, the state has taken over the direct operation of the Cuban economy. It monopolizes banking, foreign trade, wholesale trade, transportation, communications, and utilities, and conducts a substantial part of retail trade.

Except for the surviving independent professional men, farmers, and retailers, the remnants of private enterprise are insignificant.

71. The National Agrarian Reform Institute (INRA) established in mid-1959 was the state's original agency for economic management. To meet the needs of its peasant clients, it soon found itself engaged in retail trade as well as agricultural management. As provincial industrial enterprises were expropriated, INRA took over their management too. Its organization extended throughout the country; it was conveniently available to undertake any managerial task that occasion required. That its personnel were technically inexperienced was no great matter. They were certified to be zealous revolutionaries.

72. As regards agrarian reform, some 30,000 former tenant farmers have actually received title to small tracts of land (less than 166 acres). It was soon realized, however, that to create a class of small peasant proprietors would be to invite economic disaster. Also, from the Communist point of view, it would be social retrogression. Instead, INRA has organized 630 peasant cooperatives and 300 state farms managed by INRA personnel. The state farms are declared to be the higher form of social organization: they pay wages regardless of profit or loss, and provide housing, utilities, and such communal services as day

nurseries which free mothers to work in the fields.

73. There remain in Cuba some 200,000 independent farmers owning 60 percent of the farmland—but they too are in considerable degree dependent on INRA for credit, fertilizers, seeds, equipment, and marketing services, and are subject to INRA's planting directives. The regime intends the eventual nationalization of this farmland also.

74. Eventually, something had to be done to rationalize INRA's amorphous economic empire and to provide for the orderly administration of the urban industrial enterprises which had been taken over by the state. In February 1961, with Bloc advice, three new ministries were established: Industries, Foreign Trade, and Internal Trade. These new ministries have taken over INRA's extraneous functions.

75. The Ministry of Industries, charged with the supervision of all manufacturing and mining, is "Che" Guevara's present bailiwick. Each particular industry is organized as a "consolidated enterprise" made up of all the plants in that industry. The "consolidated enterprise" procures and allocates materials, assigns production quotas, distributes output, and coordinates plans and operations with the Ministry.

76. For the overall coordination of economic activities, a Central Planning Board (JUCEPLAN) has been established. The government's JUCEPLAN is paralleled by the recently created Economic Committee of the ORI, composed of President Dorticos, "Che" Guevara, and Carlos Rafael Rodriguez. The local implementation of JUCEPLAN directives

is supervised by provincial and municipal bodies called JUCEI (*juntas* for "coordination, execution, and inspection"). JUCEI meetings are attended by the representatives of local economic enterprises and the corresponding labor unions and mass organizations, as well as representatives of the national ministries, CTC-R, and ORI.

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1961 was a year of economic decline and suddenly felt deprivation in Cuba.

80. The Cuban economy is based on foreign trade. Cuba has depended on external sources (principally the US) for adequate supplies of foodstuffs, other consumers' goods, and raw materials as well as capital equipment.

Foreign private investment in Cuba is now terminated and income from tourism is negligible.

81. In 1961, despite its loss of the US market, Cuba exported a record quantity of sugar: about 6.4 million metric tons. This performance was not the result of an increase in cultivation, but rather of an extraordinary harvesting effort.² The Bloc took 4.8 million tons of this sugar, at a premium price, but one less than that formerly paid by the US. However, most of the return for this sugar was in the form of goods and services and relatively little convertible currency was obtained. Sundry non-Bloc countries (notably Morocco, the UAR, and Chile) took 700,000 tons in barter deals. Only 900,000 tons were sold in the Free World for hard currency. Because of the lower prices obtained (including loss of the US premium price), this extraordinary quantity of sugar produced no more return than a normal crop. The amount of convertible exchange earned was the lowest in modern Cuban history.

IX.

73. Despite the confusion inherent in the revolutionary takeover of the economy—the displacement and flight of experienced managers, the imposition of inept state controls—the new Cuba enjoyed an unwarranted euphoria during 1959 and 1960. The wealth of the dispossessed was available for distribution. Wages were raised, employment was increased, consumption was stimulated—for example, there was an excessive slaughter of livestock and poultry to satisfy the demand for meat among those who had never had much of it before, to the consequent detriment of the prospects for a future supply.

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82. The sum of other exports declined in quantity and value. The return from tobacco was the lowest since 1952—although it did

return about \$40 million in convertible exchange.

83. Cuba has been able to obtain from the Bloc and elsewhere some supplies of foodstuffs and other consumers' goods, but not in the quantities previously imported from the US and not of equivalent quality. The effort to increase the domestic production of foodstuffs has met with indifferent success. The shortage of foodstuffs is such that the regime has recently imposed drastic rationing.

84. During the first half of 1961 there was an acute shortage of industrial raw materials. Some plants had to be shut down, others operated only intermittently, with a consequent decline in the availability of domestic industrial products. During the latter half of the year the raw materials shortage was relieved somewhat by increased imports from the Bloc and elsewhere.

85. More serious than the industrial raw materials problem is the accelerated depreciation of the Cuban industrial plant, including transportation facilities, for want of replacement parts. This critical effect results not only from the US embargo, but also from the shortage of convertible foreign exchange, which hinders indirect procurement from other sources. The effort required to keep the old, increasingly inefficient plant going operates as a brake upon new investment. The long-term solution is seen to be the replacement of equipment of US origin with new equipment from the Bloc, but this involves a tremendous capital expenditure without equivalent forward progress.

86. The frustration of the regime's roseate plans for new construction is exemplified by its performance in providing greatly needed new housing. In Havana, a show-place housing project begun in 1959 remains unfinished. Of the new housing promised to peasants in conjunction with the agrarian reform, very

few projects have been completed. The available construction resources have been diverted to military projects.

87.

88. The Cuban economy will continue to face a number of difficult problems in 1962. Foremost among these is the probability of a seriously short sugar crop.

89. Unusually dry weather during the growing season is one reason for this serious decline in Cuban sugar production, but there are other contributing factors which result, directly or indirectly, from decisions taken by the Castro regime. These include a reduced rate of replanting in recent years, the diversion of cane land to other crops, overcutting in 1961, and a shortage of skilled harvesting labor induced by lowered material incentives and the movement of labor to other occupations.

90. The greatly reduced sugar harvest will preclude sugar exports on the scale achieved in 1961.

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It will probably strive to maintain sales of sugar in the Free World at the 1961 level, at least. Although the Bloc provides a guaranteed sugar market at a premium price, sales in the Free World are necessary in order to acquire urgently needed convertible exchange. In the face of continued low world sugar prices, a considerable expansion of shipments to the Free World would be required to offset the loss of dollar earnings resulting from the US embargo on nonsugar imports from Cuba. It is unlikely that Cuba's earnings of convertible exchange from all sources will be sufficient to prevent a not worsening of its convertible exchange position during 1962.

91. Reduced export earnings will seriously hamper the Cuban economy during 1962. The total value of imports can be maintained at the 1961 level only if the Bloc is willing to overship—that is, to permit Cuba to run up debts on current account, or to accelerate deliveries under established credits for industrial development. In any case, imports from the West

will decline, thus aggravating economic problems caused by the exhaustion of inventories on hand and accelerating the deterioration of plant and equipment.

92. In these circumstances, it is unlikely that the total output of the Cuban economy in 1962 can rise above the 1961 level. If the regime persists in expanding investment to the extent projected for this first year of its four-year plan, consumption will have to be further curtailed.

93. Beyond 1962, the development of the Cuban economy will depend not only on the rate at which capital goods are made available under Bloc credits, but also on the success of the regime's efforts to expand and diversify agricultural production. The slowness of Bloc deliveries of capital goods to date probably reflects no more than the time normally

required to plan and implement an extensive industrial development program. By the end of 1962, the flow of such goods will probably begin to increase substantially. Moreover, Cuba possesses an agricultural potential capable of supporting additional imports of capital goods and a higher level of industrial activity. It would appear that only gross mismanagement could prevent an increase in agricultural production in 1962.

On balance, the industrial sector of the Cuban economy will probably begin to expand in 1963, but its rate of expansion will probably be limited by poor performance in the much larger agricultural sector. The present dearth of consumers' goods will last beyond 1962, because of the priority accorded to investment.

94. Fidel Castro has now told the Cuban people that years of privation and strenuous effort are before them—that this privation is attributable solely to the malevolence of the US—and that this effort is necessary to defend Cuban independence and to construct a just and prosperous society. To the extent that the regime is able to fasten upon the US all blame for existing conditions and to sustain the Cubans' faith in a better future, it will be able to mitigate the political consequences of deprivation and disappointment.

95. Initially, the overwhelming preponderance of Cubans hailed with enthusiasm the triumph of the revolution against the Batista tyranny. Since then there has been an ever more widespread disillusionment. It was to be expected that the propertied classes would be antagonized by Castro's early urban and agrarian reforms and by the ensuing expro-

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priations of property. More serious was the progressive alienation of many men who had actively participated in the revolution against Batista, but who, for the same reasons, objected to the dictatorial character of the Castro regime and the increasingly evident ascendancy of the Communists within it. Latterly there has been a growing adverse reaction among ordinary folk who have no important property interests and no strong ideological motivations, but are fed up with the privations, exactions, and regimentation that characterize life in Castro's Cuba.

96. The severe internal repression which accompanied the defeat of the April 1961 invasion stilled, for a time, manifestations of opposition within the country. This spell was broken in September, when Catholic crowds dared to defy openly the regime's prohibition of certain customary public religious observances. The militia had to be used to suppress these disturbances. Since then, the regime has confiscated the Church schools and the property of religious orders, and has expelled most priests and nuns—only about 150 priests are left. The Church has not been a strong popular influence in Cuba, but this persecution is strongly resented by those who do care: Catholic youth groups have been the nuclei of several underground resistance organizations.

97. One indication of the extent of disaffection is the volume of emigration from Cuba. Since January 1959, some 100,000 Cuban emigrants have reached the US—6,800 in February 1962. These are, for the most part, formerly well-to-do persons having the means and know-how, as well as a strong motivation, to escape, but significantly they include some

humbler folk who cared enough to hazard their lives in open boats. Other Cubans, in lesser numbers, have made their way to voluntary exile in such places as Mexico, Jamaica, and Venezuela. In general, the regime has been glad to see these people go. Although valuable managerial experience and technical skills were lost with them, they were manifestly unreliable.

98. Most of the members of the former middle class still remain in Cuba; most of them in varying degrees oppose the regime. However, some are reconciled, having found positions of personal advantage in the government apparatus or other regime controlled organizations. These constitute the nucleus of the new managerial class which also draws recruits from the lower class. This new managerial class is a major element in the hard-core support of the regime.

99. The Cuban youth, in general, are the most ardent supporters of the regime. They have been the primary target of regime indoctrination. Youth occupies the middle management positions in the government, constitutes the rank and file of mass organizations, and has proved highly responsive to the Revolution's ideology and chauvinism. In general, the Revolution appeals to Cuban youth as a symbol of challenge to conventional authority.

100. In pre-Castro Cuba, organized labor enjoyed considerable influence and independence; the skilled workers who controlled most unions enjoyed a lower middle class social status. These workers have reason to resent their submergence in state-controlled mass industrial unions. On the other hand, technical skill is at a premium in Cuba and qualified individuals have the opportunity to find a place for themselves in the new managerial class. All industrial workers have been told that they are the essential foundation for the "dictatorship of the proletariat"—but they

are probably more impressed by the "voluntary" contributions of time and wages now demanded of them by union leaders in the name of the Revolution. There is evidence of a response in the form of absenteeism and slow-downs on such a scale as to cause the regime serious concern.

101. The 200,000 independent farmers in Cuba were once to be numbered among the regime's enthusiastic supporters. Many are small producers of sugar cane, producing in the aggregate two-thirds of the crop. They were mostly dependent on the big sugar companies for the credit, supplies, and market now provided by the INRA. They had resented this dependence and looked to INRA for greater benefits. Most independent farmers now find themselves squeezed between rising costs and declining returns, and so closely regulated by the INRA bureaucracy that their independence is only nominal. Their complaints are answered by suggestions that they join a cooperative. Their resentment toward the regime is mounting.

102. The 150,000 members of the cooperatives are also disappointed by declining returns. Many are frustrated in their desire to become independent farmers, in accordance with the original promise of the agrarian reform. Working on former sugar estates under INRA management, members of the cooperatives probably question whether INRA is really a better landlord than the sugar companies were.

103. The rural element with the most reason to be grateful to the regime is the 105,000 workers on the state farms. They were mostly laborers seasonally employed in the cane fields, but underemployed most of the time. Although many of the benefits promised them have yet to materialize, they have been given a sense of improved status, have year round employment, are better fed than before, and

have had their hopes kept alive by the completion of a few state farm housing projects.

104. Despite widespread disappointment and disillusionment, it is evident that Fidel Castro and the Revolution retain the positive support of a substantial proportion of the Cuban people.

The hard core of this support consists principally of those who now have a vested interest in the Revolution: the new managerial class and, of course, the Communists. These are reinforced by those who have been successfully committed to a positive attitude through participation in the mass organizations designed for that purpose. Finally, there are substantial numbers of Cubans who care nothing for ideology, but are still under the spell of Fidel Castro's magnetic personal leadership—who still have faith in the eventual realization of the promise of the Revolution, who feel a surge of nationalistic pride in revolutionary Cuba, and who attribute all present short-comings to the implacable malevolence of Yankee imperialism.

105. It is equally evident that there is a small number of Cubans, in Cuba, who are so strongly opposed to the regime that they are willing to risk their lives to express their opposition, even without much hope of effecting thereby an early change in the situation.

106. The majority of the Cuban people now fall between these two extremes. Their present state of mind is most difficult to discern. They are grumbling and resentful, but apparently hopeless and passive. They are probably uncertain in their own minds whether the object of their resentment should be the local functionaries of the regime, or the government in Havana, or the Communists, or the Yankees. In any case, they are apparently resigned to acceptance of the present regime as the effective government in

bring with which they must learn to live for lack of a feasible alternative.

XI. [REDACTED]

107. [REDACTED]

108. During recent months Batistianos have been particularly bitter in attacking the US Government, blaming it for Cuba's problems and accusing it of ineptness in protecting the interests of the Free World.

109. [REDACTED]

110. [REDACTED]

111. [REDACTED]

112. The activities of resistance organizations within Cu's are not coordinated. Their actual strength and potentialities are extremely difficult to determine.

Yet these organizations do harass the regime in various ways, even without appreciable outside support or much hope of effecting a change in the situation. Moreover, resistance activity in Cuba

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is not attributable solely to them. Some of it is spontaneous.

113. There is, even in present circumstances, enough resistance activity within Cuba to keep the Department of State Security (DSS) busy. In August 1961 there was an uprising near Guantanamo. It was quickly broken up. Sporadic guerrilla activity persists in the Escambray and Los Organos mountains. It consists of sabotage of bridges and communications facilities, and attacks on militia posts. Major operations to stamp out these guerrillas were conducted in October 1961, and again in December. Yet another such operation is now in progress (March 1962), which shows that to date the problem has remained unsolved. Moreover, militia are constantly required, throughout the country, to guard important installations against sabotage. The DSS has been carrying out summary executions at a rate comparable to the worst days of the Batista regime. Even so, somebody has recently been setting fire to cane fields on a scale which has occasioned considerable police activity.

114. The regime, [redacted] has shown that it can contain the present level of resistance activity.

[redacted]

XII. [redacted]

115. Latin America is ripe for social revolution, in one form or another. When Fidel Castro came to power, he regarded himself as the manifest leader of the revolution, not only in Cuba, but in all of Latin America. In view of the general enthusiasm felt for him, he had reason to think so.

116. As in Cuba, however, Latin American enthusiasm for Castro soon waned. Reformist leaders of established character, such as Jose Figueres, Alberto Lleras Camargo, Romulo Betancourt, and Victor Haya de la Torre, were antagonized by Castro's egotism, the dictatorial character of his regime, his interference in the internal politics of other countries, and his association with the Communists. By the end of 1960 Castro had few admirers left among political y active Latin Americans, except the Communists and extremist splinter groups broken off from the established social revolutionary parties (e.g., the MIR in Venezuela, APRA Rebelde in Peru). Those splinter groups, however, generally included the party youth.

117. Castro is not dismayed by the antagonism of Latin American politicians, even that of the reformists among them. He identifies them all with the oligarchies which it is the function of the revolution to displace. His target is the depressed masses. Many of these people, especially in the rural areas, have yet to learn of him, but he intends to make himself known to them through the politically active left-wing youth of their respective countries.

118. To this end, Cuban diplomatic and consular establishments have been used to distribute money, propaganda materials, and instruction in subversive techniques to favorably disposed indigenous political groups. Hundreds of Latin Americans have been brought to Havana, at Cuban expense, to attend conferences and celebrations. Selected youths have been given instruction, in Cuba,

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in the arts of guerrilla warfare and other subversive activity. Powerful short-wave transmitters in Cuba broadcast revolutionary propaganda throughout Latin America.

119. In the face of these and other provocations, 13 Latin American governments have severed diplomatic relations with Cuba. The remaining six governments—Bolivia, Brazil, Chile, Ecuador, Mexico, and Uruguay—although they are fully aware of the subversive activities of the Castro regime and within their own jurisdictions have taken action against them, have for a variety of reasons, principally domestic, preferred not to break diplomatic relations so far. At Punta del Este the OAS unanimously condemned communism in Cuba as incompatible with the Inter-American system and laid the groundwork for increased efforts to combat Castro-Communist subversion. The six states which abstained on the operative resolution excluding the Cuban regime from the organs of the OAS were generally satisfied with the action taken by the majority, and were pleased to be able to show, at the same time, that they do not take dictation from the US.

120. Castro's response to Punta del Este has been a manifesto attributing all the ills of Latin America to the baneful effects of Yankee imperialism and declaring universal revolution on the Cuban model to be the only effective remedy.

XIII.

122.

123. Cuba maintains friendly relations with all the states of the Sino-Soviet Bloc. It has diplomatic relations with all except West Germany. This exception is made in deference to the sensitivities of West Germany, with which Cuba has important trade relations.

124. As a consequence of the close trade and diplomatic relations between Cuba and the Sino-Soviet Bloc, channels of communication between Cuba and the countries of the Bloc have been progressively expanded. Since

121.

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1960, many Bloc ships, chiefly those of the USSR, East Germany, and Poland, have been calling at Cuban ports, and an even greater number of Western ships have been chartered by Bloc countries for trade with Cuba.

The Cuban airline makes two flights a week to Prague; in February 1962 the Czech airline inaugurated a weekly round trip service to Havana, thereby establishing the first Bloc air service to the Western Hemisphere. In accord with press and cultural exchange agreements, Cuba's press service, *Prensa Latina*, has been collaborating with Tass and other Bloc news agencies, Communist films have been shown in Cuba, and people from the Bloc and Cuba have visited each other's countries for a variety of purposes. Recently a direct radio-telegraph circuit was inaugurated between Communist China and Cuba.

125. In relation to the Sino-Soviet dispute, many Cubans feel a greater sympathy for Peking's revolutionary zeal than for Moscow's conservatism, of which they have had reason to complain in its application to their own case—but the regime knows that its dependence is on the USSR and it acts accordingly. At the party level, Blas Roca has dutifully denounced Albania and *Hoy* has refused to publish Chinese criticisms of Soviet leadership. However, state relations with Communist China remain cordial, and an Albanian ambassador was received in Havana shortly after the break in Soviet-Albanian relations.

126. In an earlier phase, Castro sought to identify Cuba with the neutralist bloc. In consequence, Cuba was invited to the Belgrade Conference, at which President Dorticos behaved in such unneutral fashion as to offend and embarrass even that company.

127. Cuba's relations with most non-Bloc states of Asia and Africa are conducted through their UN delegations in New York. Only the UAR, Israel, and Japan have resident missions in Havana.

Some other Afro-Asian states dually accredit their ambassadors in Washington, Mexico, or Caracas.

128. The only Latin American countries which still maintain diplomatic relations with Cuba are Mexico, Ecuador, Bolivia, Chile, Uruguay, and Brazil, and those states have recently joined in denouncing the Communist character of the regime as incompatible with inter-American solidarity. Cuba will probably ignore this awkward fact and seek to cultivate its relations with these states.

XIV.

129. The next year or two will be a critical period for the Castro regime. The 1962 sugar crop will be the smallest in years; the difficulty of acquiring convertible exchange will be greater than ever. Want of foreign exchange will limit Cuba's ability to purchase foodstuffs and other needed supplies in the Free World.

130. The Sino-Soviet Bloc has an obvious interest to do what it can, by means of trade and aid, to ease the strain on the Castro regime.

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[REDACTED]

Only if economic disappointments in Cuba should threaten to precipitate a serious political crisis would the Bloc be likely to consider any substantial increase in the economic aid to Cuba already projected.

131

[REDACTED]

At the same time, however, Castro is well aware of his need for Communist support and Soviet aid and protection.

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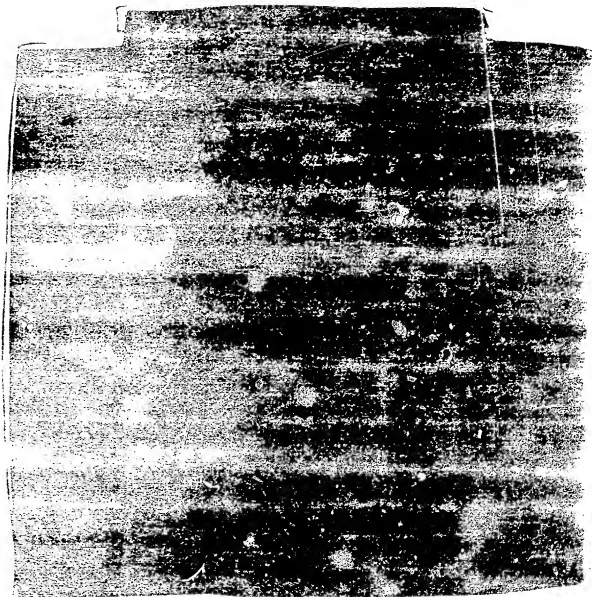
[REDACTED]

The USSR and other Bloc states will continue to render such aid and support to the regime as they consider necessary.

132. The regime's imposing apparatus for surveillance and repression should be able to detect and suppress any active disaffection in the population. Any impulse toward widespread popular revolt is inhibited by the fear which this apparatus inspires, and also by the lack of any dynamic leadership and any expectation of liberation within the foreseeable future. In these circumstances, increasing antagonism toward the regime is likely to produce only a manageable increase in isolated acts of sabotage or open defiance on the part of a few desperate men.

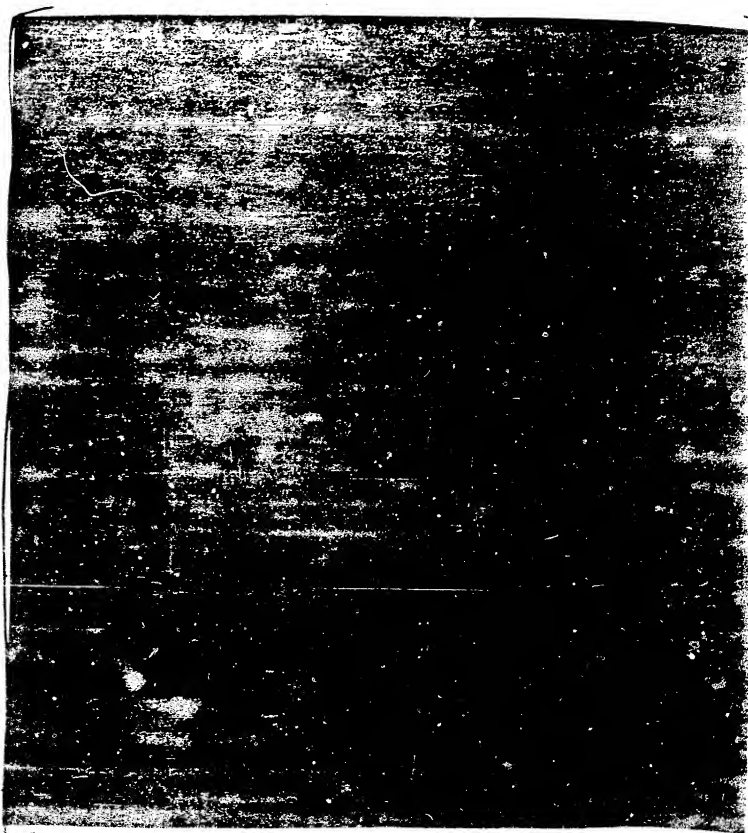
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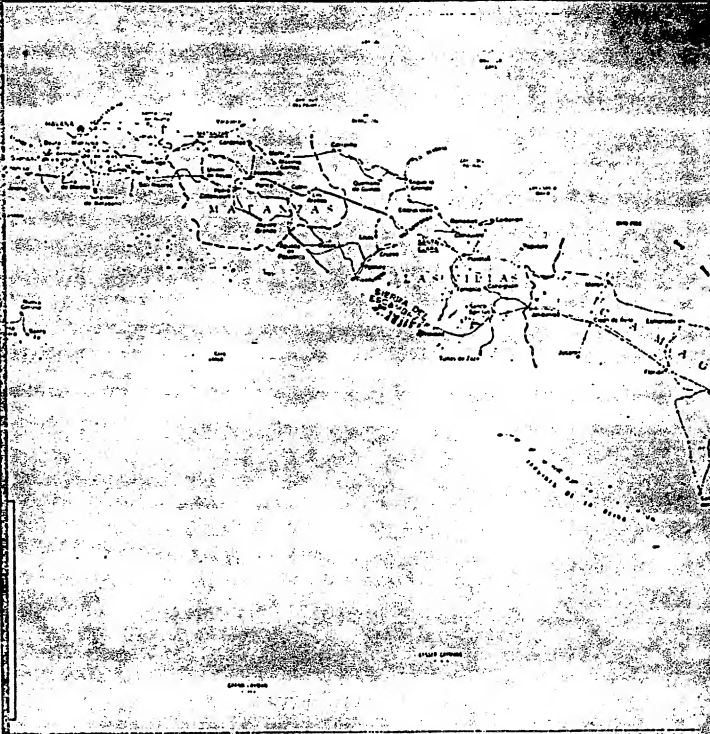
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